Local Government Mandate Statement Kentucky Legislative Research Commission 2018 Regular Session

Part I: Measure Information

Bill Request #: 18					
Bill #: SB 11					
Document ID #: 306					
Bill Subject/Title: An ACT relating to telecommunications.					
Sponsor: Sen. Morgan McGarvey					
Unit of Government:	X City	County	Urban-County Unified Local		
	Charter County	Consolidated Local			
Office(s) Impacted:	municpal broadband and providers	d telecommunications and	d internet service		
Requirement: X Mandatory Optional					
Effect on Powers & Duties: X	Modifies Existing	X Adds New El	iminates Existing		
Part II. Pill Pravisions and the Estimated Fiscal Impact Polating to Legal					

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

SB 11 provides that no internet or telecommunication services provider shall collect personally identifiable information from a customer as a result of the customer's use of the telecommunications or Internet services without the customer's express written approval.

The fiscal impact of SB 11 is indeterminate and nil to minimal. The Kentucky Municipal Utilities Association does not expect this Act to have a fiscal impact on its members. The Kentucky municipal Utilities Association does not envision any issues with this bill as cities don't really collect any of the data outlined in SB 11. The only concern municipal utilities would be concerned about would be lawful intercept for Communications Assistance for Law Enforcement agencies (CALEA) purposes.

According to the Kentucky league of Cities there could be some administrative costs related to keeping up with written approvals from customers and/or deleting personally identifiable information within 90 days of the effective date of the Act.

Below is a table (submitted by the Kentucky League of cities) of those cities reporting telecommunications revenue and/or telecommunications expenditures for fiscal year 2015. Some cities provide residential landline access while others may only provide wireless access in part of, or all of their community. As the numbers suggest, Barbourville, Bardstown, and Williamstown have particularly robust telecommunications services in their cities.

City	County	Pop. Est.	FY	Telecommunications Revenue	Salaries	Other Operations	Equipment	Construction
Barbourville	Knox	3,148	2015	\$2,816,824	\$392,292	\$2,117,611	\$0	\$0
Bardstown	Nelson	12,995	2015	\$9,618,959	\$822,098	\$7,661,773	\$138,705	\$1,182,916
Campbellsville	Taylor	11,082	2015	\$0	\$428,584	\$134,267	\$7,021	\$0
Flemingsburg	Fleming	2,871	2015	\$0	\$15,649	\$0	\$0	\$0
Franklin	Simpson	8,718	2015	\$160,973	\$82,379	\$331,057	\$0	\$0
Grand Rivers	Livingston	376	2015	\$31,898	\$0	\$45,162	\$0	\$0
Lexington	Fayette	311,399	2015	\$5,080,182	\$3,690,617	\$1,624,190	\$2,018,731	\$0
Owensboro	Daviess	58,461	2015	\$956,306	\$358,122	\$466,601	\$0	\$0
Paducah	McCracken	24,972	2015	\$629,042	\$0	\$0	\$0	\$0
Williamstown	Grant	3,956	2015	\$1,509,273	\$331,039	\$1,332,501	\$0	\$0

Below is a list of all municipal broadband providers:

- 1. Frankfort Electric Plant Board
- 2. Owensboro Municipal Utilities
- 3. Barbourville Utility Commission
- 4. Bardstown Municipal Utilities
- 5. Bowling Green Municipal Utilities
- 6. Franklin Electric Plant Board
- 7. Glasgow Electric Plant Board
- 8. Henderson Municipal Power & Light
- 9. Hopkinsville Electric System
- 10. Mayfield Electric & Water System
- 11. Murray Electric System
- 12. Paducah Power System
- 13. Princeton Electric Plant Board
- 14. Russellville Electric Plant Board
- 15. Williamstown Utility Commission

Part III: Differences to Local Government Mandate Statement from Prior Versions

The Part II section above pertains to the bill as introduced and there are not any prior introduced versions of the bill to complete the Part III section.

Data Source(s):	Frankfort Plant Board; Kentucky Municipal Utilities Association;
	Kentucky Leauge of Cities; Kentucky Association of Counties